

ECap Securities and Investments Limited
(formerly known as ECap Equities Limited)

Corporate Identity Number: U67190TG2008PLC057122

Financial Statement for the year ended March 31, 2024

KIRTANE & PANDIT^{LLP}

Chartered Accountants

Pune | Mumbai | Bengaluru | New Delhi | Nashik | Hyderabad | Chennai

Independent Auditors' Report

To the Members of ECap Securities and Investments Limited

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of ECap Securities and Investments Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

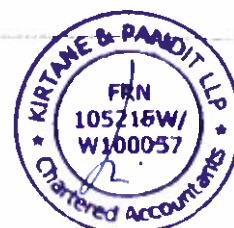
Basis for Opinion

We conducted our audit of the special purpose financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the special purpose Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (the 'ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below as key audit matters.

Key audit matter	How our audit addressed the key audit matter
<p>1. Impairment of investments</p> <p>The Company has investments in subsidiaries, group companies and third party Non-Convertible Debentures (NCDs) investments which are not listed (equity) or quoted. These investments are valued at cost and are required to be assessed for impairment in accordance with Ind AS36, when any indicators of impairment are observed.</p> <p>In carrying out such impairment assessment, a significant judgement of the management is involved in estimating the investee company's "value in use", in accordance with Ind AS 36. Estimation of the value in use requires the management to apply appropriate assumptions with respect to the growth rates for future cash flow projections</p>	<p>Significant audit procedures included the following:</p> <ul style="list-style-type: none">- We understood the management's process of evaluating the triggers for impairment, forecasting the future cash flows, evaluation of assumptions and comparison of estimates to externally available industry, economic and financial data, wherever available and necessary.- We assessed that the methodology used by management to estimate the recoverable value of each investment is consistent with accounting standards.- We assessed the assumptions used by the management to determine the recoverable amount of the investment in subsidiaries.



<p>of the investee company and discount rates for determining present value of such cash flows.</p> <p>In view of the high degree of management's judgement involved in estimation of the recoverable amount of investments in unlisted subsidiaries and the inherent uncertainty relating to the assumptions supporting such estimates, we considered this area as a key audit matter.</p> <p>2. Trading in Bullion:</p> <p>During the year the Company has started trading in commodities i.e., purchase and sale of bullion. The Company is trading in of purchase and sale of bullion which is one of the ancillary object in the Memorandum of Association (MoA) of the Company.</p> <p>In view of the high degree of management's judgement involved in estimation of the basis of price of buy/sale of bullion and the inherent uncertainty relating to the such estimates, we considered this area as a key audit matter.</p>	<ul style="list-style-type: none"> - We compared the carrying values of the Company's investment in these subsidiaries to their respective financial statements which were available with their respective net asset values and discussed with management about their performance and future outlook. - We read and assessed the presentation and disclosure of such impairment in the financial statements. <p>Significant audit procedures included the following:</p> <p>The Company has started trading in bullion as per the objects incidental or ancillary to the attainment of the main object.</p> <ul style="list-style-type: none"> - We have verified the invoices for the bullion transactions bought/sold. - Obtained an understanding of the basis of the bullion prices considered for buy/sale of bullion - We have traced the payments/receipts to the bank statements. - We have traced the quantity from the Inward bullion received/sold by the logistic company. - We have traced the delivery orders and challans for the purchase/sale of bullion.
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Other Information

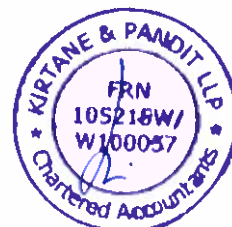
The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the special purpose financial statements and our auditor's report thereon.

Our opinion on the special purpose financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the special purpose financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Special Purpose Financial statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Special Purpose financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness



of the accounting records, relevant to the preparation and presentation of the Special Purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose financial statements.

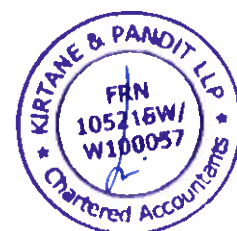
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the special purpose financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the special purpose financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Other Matter

The Company has prepared a separate set of financial statements for the year ended March 31, 2024 which is prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended, on which we issued a separate auditor's report to the members of Company dated April 30, 2024. The separate auditor's report can be used by Nangia & Co. LLP (the current statutory auditor of EFSL) in conjunction with the audit of consolidated financial statements.

This report is issued at the request of the Company and is intended solely for the information and use of the Edelweiss Financial Services Limited ('Ultimate Holding Company' or 'EFSL'), for the purpose of presentation of its consolidated financial statements for the year ended March 31, 2024 and for the use of Nangia & Co. LLP (the current statutory auditor of EFSL) in conjunction with the consolidated financial statements and is not intended to be and should not be used for any other purpose.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid special purpose financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Special Purpose financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - g. In our opinion and according to the information and explanation given to us, no remuneration has been paid by the company to its director during the year.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;



- iv. a) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 41 (ii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary
- b) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 41 (iii) to the financial statements, no funds have been received by the Company from any person(s) or entity (ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the period by the Company.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in that software or applications. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record 31 March 2024, the reporting thereon would be done from Financial Year 2024-25 onwards.

For Kirtane & Pandit LLP
Chartered Accountants

Firm Registration No. 105215W/ W100057



Sandeep Welling

Partner

M. No: 044576

Date: May 08, 2024

UDIN: 24044576BKAUCG9068



Annexure A to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of ECap Securities and Investments Limited ('the Company') on the special purpose financial statements for the year ended March 31, 2024, we report that:

i)

(a) to (d) The Company does not own any property, plant and equipment as at the balance sheet date and also the Company has not capitalized any intangible assets in its books. Accordingly, the requirement to report on clause 3(i)(a) to 3(i)(d) of the Order is not applicable.

(e) According to the information and explanations given by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii)

a) The Company's business does not involve inventories and, accordingly, the requirements to report on clause 3(ii)(a) of the Order is not applicable to the Company

b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii)

a) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

b) According to the information and explanation given by the management and on the basis of our examination of the records of the Company, during the year, the investments made, guarantees provided, security given and the terms and conditions are not prejudicial to the Company's interest. Further as per the information given by the management, the Company has not granted any loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties or provided any guarantees or given any security during the year.

c) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, the schedule of repayment of principal and payment of interest of the loans and advances has been stipulated and the repayments or receipts are regular.

d) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, the amount of loans and advances in the nature of loans is not overdue for more than ninety days.

e) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, the Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

f) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, the Company has not granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to Promoters, related parties as defined in clause (76) of Section 2 of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.



- iv) According to the information and explanations given to us, the Company has not advanced loans to directors / to a Company in which the director is interested to which provisions of section 185 of the Companies Act, 2013 apply. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of investments have been complied with by the Company.
- v) According to the information and explanations given by the management, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi) To the best of our knowledge and as explained by the management of the Company, the Company is not in the business of production of any goods or provision of such services as prescribed u/s 148 (1) of Companies Act, 2013. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company

vii)

- a) According to the information and explanations given to us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other statutory dues, applicable to it. The provisions relating to employees' state insurance, sales tax, service tax, duty of excise, duty of custom, value added tax and cess are not applicable to the Company. Further, no undisputed amounts payable in respect of provident fund, income tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are no dues of provident fund, goods and service tax and cess which have not been deposited with the appropriate authorities on account of any dispute. The provisions relating to employees' state insurance, service tax, duty of excise, duty of custom, sales tax, value added tax and cess are not applicable to the Company. The dues outstanding in respect of income tax on account of dispute are as follows:

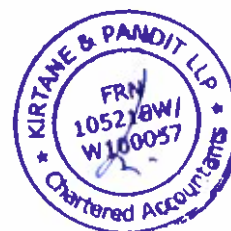
The company has received the Commissioner of Income Tax (Appeals) (CIT(A)) order on 26 March, 2024 for the AY 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 wherein the Hon'ble CIT(A) has granted substantial relief to the company on account of which the demands are not payable. However, CIT (Order giving effects (OGE) is yet to be received and thus demand deletion from the system is pending from the department.

viii)

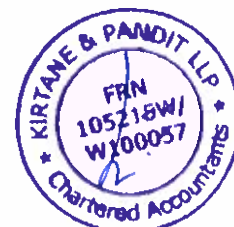
The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix)

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) The Company has not been declared willful defaulter by any bank or financial institution or any other lender.
- c) The Company has not taken any term loan during the year. Hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- d) In our opinion and on an overall examination of the financial statements of the Company, during the year, the Company has used funds raised on short-term basis in the form of borrowings aggregating to Rs. 450 crores (previous year Rs.575.12 crores) have been used for long-term purposes representing investments in group companies.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.



- x)
- a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
 - b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause(x)(b) of the Order is not applicable to the Company.
- xi)
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company we report that no fraud by the Company or on the Company has been noticed or reported during the year.
 - b) According to the information and explanations given to us, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clauses 3(xii)(a) to 3(xii)(c) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order in so far as it relates to section 177 of the Act is not applicable to the Company.
- xiv) (a) According to the information and explanations given by the management, the Company has internal audit system commensurate with the size and nature of its business
- (b) We have considered the internal audit reports issued till date, for the period under audit.
- xv) According to the information and explanations given by the management, the Company has not entered into non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi)
- a) According to the information given to us and as explained by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
 - b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
 - c) Based on our examination, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
 - d) According to the information and explanations given by the management, the Group has one Core Investment Company as part of the Group.
- xvii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has incurred cash losses amounting to Rs. 73.45 Crores in the current year and amounting to Rs. 41.93 Crores in the immediately preceding financial year respectively.
- xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause(xviii) of the Order is not applicable to the Company.



Xix) On the basis of the financial ratios disclosed in Note 41 (iv) to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx)

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no unspent amounts in respect of other than ongoing projects, that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 27.2 to the financial statements.
- b) According to the information and explanations given to us, there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

XXi) The Report is part of standalone financials of the Company hence the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No. 105215W/ W100057



Sandeep Welling

Partner

M. No: 044576

Date: May 08, 2024

UDIN: 24044576BKAUCG9068



Annexure B

Annexure B the Independent Auditor's report of even date on the special purpose financial statements of ECap Securities and Investments Limited ("the Company")

Report on the Internal Financial Controls under Clause (l) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the financial statements of **ECap Securities and Investments Limited ("the Company")** as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

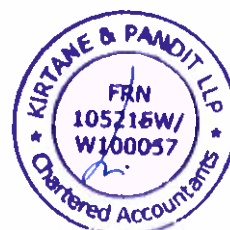
Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No. 105215W/ W100057



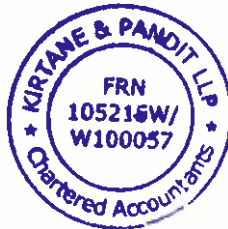
Sandeep Welling

Partner

M. No: 044576

Date: May 08, 2024

UDIN: 24044576BKAUCG9068



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Balance Sheet

(Currency : Indian rupees in millions)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Financial assets			
Cash and cash equivalents	7	85.31	0.07
Trade receivables	8	43.48	-
Investments	9	14,802.28	5,252.10
Other financial assets	10	-	0.19
		<u>14,931.07</u>	<u>5,252.36</u>
Non-financial assets			
Current tax assets (net)	11	18.83	6.91
Other non- financial assets	12	1.27	0.26
		<u>20.10</u>	<u>7.17</u>
TOTAL ASSETS		<u>14,951.17</u>	<u>5,259.53</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables	13	-	-
(i) total outstanding dues of micro enterprises and small enterprises		0.90	0.40
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.83	0.02
Debt securities	14	2,206.03	-
Borrowings (other than debt securities)	15	14,066.89	5,782.80
Other financial liabilities	16	0.51	0.40
		<u>16,276.16</u>	<u>5,783.62</u>
Non-financial liabilities			
Current tax liabilities (net)	17	0.61	0.61
Provisions	18	0.43	0.28
Other non-financial liabilities	19	7.89	5.51
		<u>8.93</u>	<u>6.40</u>
EQUITY			
Equity share capital	20	317.40	317.40
Other equity	21	(1,651.32)	(847.89)
		<u>(1,333.92)</u>	<u>(530.49)</u>
TOTAL LIABILITIES AND EQUITY		<u>14,951.17</u>	<u>5,259.53</u>

Material accounting policies and notes forming part of the financial statements

1 - 43

This is the Balance Sheet referred to in our report of even date.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.: 105215W

Sandeep D Welling

Partner

Membership No.: 044576

Mumbai

8 May 2024



For and on behalf of the Board of Directors

Ravindra Dhobale

Director

DIN 05147051

Vinitha Singh

Manager & Chief

Financial Officer

Mumbai

8 May 2024

Ananya Suneja

Director

DIN: 07297081



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Statement of Profit and Loss

(Currency: Indian rupees in millions)

	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations			
Interest income	22	33.23	-
Net gain on fair value changes	23	6.04	-
Sale of commodities		66.19	-
Total revenue from operations		105.46	-
Other income		-	-
Total income		105.46	-
Expenses			
Net loss on fair value changes	23	-	28.72
Finance costs	24	769.78	414.76
Impairment on financial instruments	25	62.88	-
Employee benefits expense	26	2.61	1.54
Purchases of commodities		66.16	-
Other expenses	27	7.39	3.03
Total expenses		908.82	448.05
Loss before tax		(803.36)	(448.05)
Tax expenses:			
Current tax		-	-
Deferred tax		-	-
Loss for the year		(803.36)	(448.05)
Items that will not be reclassified to profit or loss			
Remeasurement gain on defined benefit plans (OCI)		(0.08)	(0.01)
Tax effect on remeasurement gain on defined benefit plans (OCI)		-	-
Other Comprehensive Income		(0.08)	(0.01)
Total comprehensive income		(803.44)	(448.06)
Earnings per equity share: (Face value of Rs 10 each):			
Basic	30	(25.31)	(14.12)
Diluted		(25.31)	(14.12)

Material accounting policies and notes forming part of the financial statements

1 - 43

This is the Statement of Profit and Loss referred to in our report of even date.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.: 105215W

Sandeep D Welling

Partner

Membership No.: 044576

Mumbai

8 May 2024



For and on behalf of the Board of Directors

Ravindra Dhobale

Director

DIN: 05147051

Ananya Suneja

Director

DIN: 07297081

Vinita Singh

Manager & Chief

Financial Officer

Mumbai

8 May 2024



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Cash flow statement

(Currency : Indian rupees in millions)

	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Cash flow from operating activities		
Loss before taxation	(803.36)	(448.05)
Adjustments for		
Impairment on financial instruments	62.88	-
Provision for gratuity and compensated absences	0.16	-
Profit on sale of investment	(12.01)	-
Fair value of financial instruments	5.97	28.72
Interest income	(23.85)	-
Interest expense	760.87	414.76
Interest on debt securities	6.02	-
Operating cash flow before working capital changes	(3.32)	(4.57)
Add / (Less): Adjustments for working capital changes		
Increase / (Decrease) in non financial liability	2.38	(11.40)
(Decrease) / Increase in other financial liability	0.11	0.40
Increase / (Decrease) in trade payable	2.32	(0.18)
(Decrease) / Increase in Provisions	(0.09)	0.27
Increase in trade receivable	(43.48)	-
Decrease / (Increase) in other financial assets	0.19	(0.19)
Increase in other non financial assets	(1.01)	(0.26)
Cash used in operations	(42.90)	(15.93)
Income tax paid	(11.92)	(6.67)
Net cash (used in) operating activities - A	(54.82)	(22.60)
B. Cash flow from investing activities		
Purchase / Sale of investments	(9,607.02)	(2,443.57)
Interest received	23.85	-
Net cash used in investing activities - B	(9,583.17)	(2,443.57)
C. Cash flow from financing activities		
Proceeds from borrowings (other than debt securities) (refer note 2)	8,231.12	2,855.60
Proceeds from debt securities	2,203.92	-
Interest paid	(711.81)	(389.45)
Net cash generated from financing activities - C	9,723.23	2,466.15
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	85.24	(0.02)
Cash and cash equivalents as at the beginning of the year	0.07	0.09
Cash and cash equivalent as at the end of the year	85.31	0.07

Notes:

1 Cash and cash equivalents include the following:

Balances with banks: In current accounts

85.31

0.07

2 Net figures have been reported on account of volume of transactions.

Material accounting policies and notes forming part of the financial statements

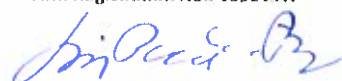
1 - 43

This is the Cash flow statement referred to in our report of even date.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.: 105215W



Sandeep D Welling

Partner

Membership No.: 044576

Mumbai

8 May 2024



For and on behalf of the Board of Directors



Ravindra Dhobale

Director

DIN: 05147051

Mumbai

8 May 2024



Ananya Suneja

Director

DIN: 07297081



Vinitha Singh

Manager & Chief Financial Officer

Mumbai

8 May 2024



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Statement of Changes in Equity

(Currency : Indian rupees in millions)

(A) Equity share capital

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	317.40	317.40
Issue of equity share capital	-	-
Balance at the end of the year	317.40	317.40

(B) Other Equity

Particulars	Retained earnings	Total
Balance at 1 April 2022	(399.83)	(399.83)
Loss for the year	(448.05)	(448.05)
Other comprehensive income	(0.01)	(0.01)
Total comprehensive income for the year	(448.06)	(448.06)
Balance at 31 March 2023	(847.89)	(847.89)
Loss for the year	(803.36)	(803.36)
Other comprehensive income	(0.08)	(0.08)
Total comprehensive income for the year	(803.43)	(803.43)
Balance at 31 March 2024	(1,651.32)	(1,651.32)

Material accounting policies and notes forming part of the financial statements

1 - 43

This is the Statement of Changes in Equity referred to in our report of even date.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.: 105215W

Sandeep D Welling

Partner

Membership No.: 044576

Mumbai

8 May 2024



For and on behalf of the Board of Directors

Ravindra Dhobale

Director

DIN 05147051

Vinitha Singh

Manager & Chief

Financial Officer

Mumbai

8 May 2024

Ananya Suneja

Director

DIN: 07297081



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements for the year ended 31 March 2024

1. Background

ECap Securities and Investments Limited ('the Company') was incorporated on 11 January 2008 as a public limited company and is a wholly owned subsidiary of Edelweiss Financial Services Limited.

The Company is engaged in trading activities including commodities, investment in group companies, AIF funds and securities.

2. Basis of preparation of financial statements

The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Company's financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVTOCI) instruments, derivative financial instruments, fair value through profit and loss account and other financial assets held for trading, which have been measured at fair value. The Company's financial statements are presented in Indian Rupees (INR) and all values are rounded off to nearest millions, except when otherwise indicated.

3. Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current).

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and or its counterparties

These financial statements are Special Purpose Indian Accounting Standards (Ind-AS) Financial Statement prepared for the purpose of preparation of consolidated financial statements for the year ended 31 March 2024 for Edelweiss Financial Services Limited Reporting (Holding Company) for its reporting of Consolidated audited financial results under Ind-AS Division III of Schedule III of the Companies Act, 2013 ("the Act"). The Company has prepared a separate set of financial statements in millions for the year ended 31 March 2024 which is prepared in accordance with Division II of Schedule III and Ind-AS prescribed under Section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended.



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

4. Material accounting policies

4.1 Revenue recognition

4.1.1 Interest and dividend income

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

Dividend income is recognised in profit or loss when the Company's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably.

- 4.1.2 Commodities sales are accounted when all obligations connected with the transfer of risks and rewards to the buyer have been fulfilled after the price has been determined and collection of the receivable is reasonably certain.

4.2 Financial Instruments

4.2.1 Date of recognition

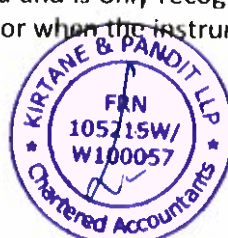
Financial assets and financial liabilities, with the exception of borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades; purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. The Company recognises borrowings when funds are available for utilisation to the Company.

4.2.2 Initial measurement of financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

4.2.3 Day 1 profit or loss

When the transaction price of the financial instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in statement of profit and loss when the inputs become observable, or when the instrument is derecognised.



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

4.3 Classification of financial instruments

4.3.1 Financial assets:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair value through other comprehensive income [FVTOCI]
- Fair value through profit or loss [FVTPL]

The Company measures debt financial assets that meet the following conditions at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Sale that occur for below reason are considered as consistent with business model whose objective is to hold financial assets in order to collect contractual cash flows

- if those sales are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent).
- If such sales are made close to maturity of financial asset and proceeds from sale approximate the collection of the remaining contractual cashflow.
- Selling a financial asset because of significant increase in credit risk.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

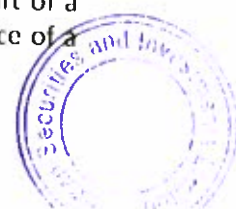
Other than above classification of amortised cost and FVOCI, all other financial assets are initially measured at fair value and subsequently measured at FVTPL.

4.3.1.1 Amortized cost and Effective interest rate method (EIR)

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

4.3.1.2 Financial assets held for trading

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there evidence of a



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

recent pattern of short-term profit is taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value.

4.3.1.3 Financial asset measured at FVOCI

Unrealised gains or losses on debt instruments measured at FVOCI are recognised in other comprehensive income, and on derecognition of such instrument accumulated gains or losses are recycled to statement of profit and loss. Interest income on such instrument is recognised in statement of profit and loss as per EIR method.

4.3.1.4 Investment in equity instruments

The Company subsequently measures all equity investments at fair value through profit or loss other than investment in subsidiaries, joint ventures and associates which are carried at cost less provision for impairment.

4.3.2 Financial liabilities

All financial liabilities are measured at amortised cost except loan commitments, financial guarantees, and derivative financial liabilities.

4.3.2.1 Debt securities and other borrowed funds

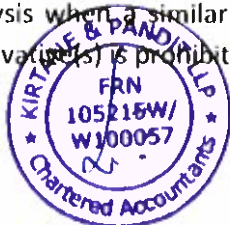
After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the instrument.

The Company issues benchmark linked non-convertible debentures, the return of which is linked to performance of specified indices over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss. The debt component of such debentures is measured at amortised cost using yield to maturity basis.

4.3.2.2 Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or
- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivatives is prohibited.



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in statement of profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

4.3.2.3 Financial guarantee:

Financial guarantees are contracts that require the Company to make specified payments to reimburse to holder for loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

Financial guarantee issued or commitments to provide a loan at below market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently they are measured at higher of this amortised amount and the amount of loss allowance.

4.3.2.4 Loan commitment

Undrawn loan commitments are commitments under which, the Company is required to provide a loan with pre-specified terms to the customer during the duration of commitment.

4.3.3 Financial liabilities and equity instruments

Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received.

4.3.4 Derivatives

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

Company has designed a risk strategy based to cover exposure on issuance of Benchmark Linked Debentures, by entering into a derivative contracts either to minimise the loss or to earn a minimum committed income by entering into a combination of derivative contracts (say for example purchased call and put options) with a wide range of strike prices. Above strategy has been approved by the risk committee and ensures that risk is fully or partially covered, hence supports to reduce the risk exposure.

Derivatives are initially recognised at fair value and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss is recognised in statement of profit and loss immediately.



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

4.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

4.5 Derecognition of financial assets and financial liabilities

4.5.1 Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised financial asset are classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be POCI.

When assessing whether or not to derecognise a financial assets, amongst others, the Company considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

4.5.2 Derecognition of financial assets other than due to substantial modification

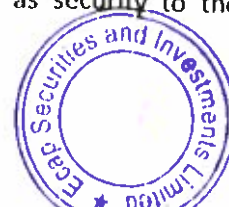
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

4.5.3 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, is recognised in the statement of profit and loss.

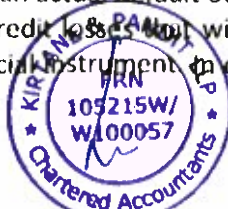
4.6 Impairment of financial assets

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitment and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and lease receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables. However, if receivables contain a significant financing component, the Company chooses as its accounting policy to measure the loss allowance by applying general approach to measure ECL.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk (SICR) since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default (EAD), for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

If a financial instrument includes both a loan (i.e. financial asset) and an undrawn commitment (i.e. loan commitment) component and the Company cannot separately identify the ECL on the loan commitment component from those on the financial asset component, the ECL on the loan commitment have been recognised together with the loss allowance for the financial asset. To the extent that the combined ECL exceed the gross carrying amount of the financial asset, the ECL have been recognised as a provision. Also, for other loan commitments and all financial guarantee contracts, the loss allowance has been recognised as a provision.

4.7 Collateral valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodical basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

4.8 Write off

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery.

4.9 Determination of fair value

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments–Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.
- Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.



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Notes to the financial statements (continued)

for the year ended 31 March 2024

4.10 Operating leases

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

4.11 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

4.12 Retirement and other employee benefit

4.12.1 Provident fund and national pension scheme

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

4.12.2 Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

4.12.3 Compensated Absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

4.12.4 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services that are granted by the ultimate parent Company are measured by reference to the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the 'ESOP reserve'. In cases where the share options granted vest in instalments over the vesting period, the Company treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

4.13 Property, plant and equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance are recognised in profit or loss as incurred.

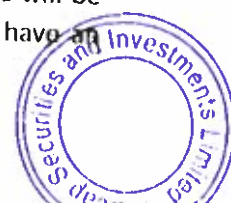
Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives. Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II for calculating the depreciation. The estimated useful lives of the fixed assets are as follows:

Estimated useful lives of the assets are as follows:

Class of assets	Useful Life
Building (Other than factory building)	60 years
Furniture and fittings	10 years
Motor vehicles	8 years
Office equipments	5 years
Computers and data processing units - Servers and networks	6 years
Computers and data processing units - End user devices, such as desktops, laptops, etc.	3 years

Land and buildings are subsequently shown at fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. Valuations will be carried out on a regular basis, unless the management consider it appropriate to have



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements *(continued)*

for the year ended 31 March 2024

earlier revaluation, such that the carrying amount of property does not differ materially from that which would be determined using fair values at the end of the reporting period. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Subsequent measurement of land and building under revaluation model:

Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as a revaluation reserve in shareholders' equity. An exception is a gain on revaluation that reverses a revaluation decrease (impairment) on the same asset previously recognised as an expense. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against the revaluation reserve directly in equity; all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

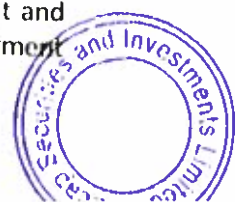
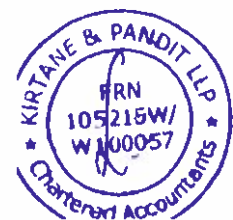
4.14 Intangible assets

The Company's intangible assets mainly include the value of computer software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised over the useful economic life.

4.15 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

4.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

4.17 Provisions and Contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

4.18 Income tax expenses

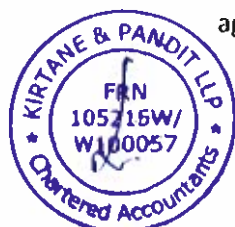
Income tax expense represents the sum of the tax currently payable and deferred tax (net).

4.18.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4.18.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

Deferred tax assets are also recognised with respect to carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

It is probable that taxable profit will be available against which a deductible temporary difference, unused tax loss or unused tax credit can be utilised when there are sufficient taxable temporary differences which are expected to reverse in the period of reversal of deductible temporary difference or in periods in which a tax loss can be carried forward or back. When this is not the case, deferred tax asset is recognised to the extent it is probable that:

- the entity will have sufficient taxable profit in the same period as reversal of deductible temporary difference or periods in which a tax loss can be carried forward or back; or
- tax planning opportunities are available that will create taxable profit in appropriate periods.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

5 Critical accounting judgements

In the application of the Company's accounting policies, the management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (continued)

for the year ended 31 March 2024

a. Business model assessment

Classification and measurement of financial assets depends on the results of the sole payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Significant increase in credit risk

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

c. Consolidation of structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. In the context of the Company, structured entities comprise securitisation trusts in asset reconstruction business, mutual fund schemes and alternative investment funds / schemes thereof. The Company consolidates the structured entities that it controls. When making this judgement, the Company also considers voting and similar rights available to itself and other parties, who may limit the Company's ability to control, including rights to appoint, reassign or remove members of the structured entity's key management personnel who have the ability to direct the relevant activities, the exposure to variability of returns and whether the Company has the ability to use its power to affect the amount of the Company's returns i.e. the variability of returns in relation to the total returns of the investee entity.

6. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (*continued*) for the year ended 31 March 2024

causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when the stand-alone financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

For Investments made into Security receipts (SRs), Company uses discounted cash flow model, given that the SRs are less liquid instruments. Expected cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, nature and value of collaterals, manner of resolution and other economic drivers. For any valuation which are based on models, Judgements and estimates are applied, which include considerations of liquidity, credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

b. Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- PD calculation includes historical data, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.



ECap Securities and Investments Limited (formerly ECap Equities Limited)

Notes to the financial statements (*continued*)

for the year ended 31 March 2024

- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EAD and LGD.
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It is Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

c. Effective interest rate method

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of characteristics of the product life cycle

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes fee income/expense that are integral parts of the instrument.

d. Accounting for deferred taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on carried forward tax losses where the Company believes that the said deferred tax assets shall be recoverable based on the estimated future taxable income which in turn is based on approved business plans and budgets. The losses are allowed to be carried forward to the years in which the Company expects that there will be sufficient taxable profits to offset these losses.

e. Estimating the incremental borrowing rate:

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.



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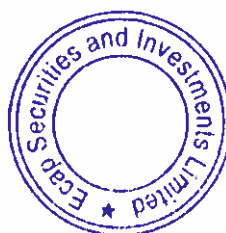
Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

7 Cash and cash equivalents

Balances with banks
- in current accounts

	As at 31 March 2024	As at 31 March 2023
	85.31	0.07
	<u>85.31</u>	<u>0.07</u>



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

8 Trade receivables

Particulars	31 March 2024	31 March 2023
Receivables considered good - unsecured	40.55	-
Receivables considered good - unsecured - Group	2.93	-
Receivables - credit impaired	-	-
	43.48	-
Less : Allowance for expected credit losses	-	-
	43.48	-

Ageing of Trade receivables

Trade receivables days past due	Less than 6 months	6 months -1 year	1-2 years	Total
As at March 31, 2024				
Undisputed Trade receivables – considered good	43.48	-	-	43.48
Lease receivables	-	-	-	-
ECL provision	-	-	-	-
Net carrying amount	43.48	-	-	43.48
As at March 31, 2023				
Undisputed Trade receivables – considered good	-	-	-	-
Lease receivables	-	-	-	-
ECL provision	-	-	-	-
Net carrying amount	-	-	-	-



ECap Securities and Investments Limited

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Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

9 Investments

As at 31 March 2024

Particulars	At amortised cost	At fair value through P&L	Subtotal	At cost (subsidiaries, associates, and joint ventures)	Total
	(1)	(2)	3 = (1+2)	(4)	(5) = (3+4)
Non-current investments					
(a) Investments in subsidiaries					
Equity shares	-	-	-	2,984.61	2,984.61
(b) Investments in group companies					
Equity shares	-	-	-	2,136.27	2,136.27
Compulsorily Convertible Debentures	-	-	-	4,500.00	4,500.00
(c) Investments in units of fund					
Units of Alternative Investment Funds	-	4.01	4.01	-	4.01
(d) Investments in Debt securities of other companies	5,240.28	-	5,240.28	-	5,240.28
Total - Gross (A)	5,240.28	4.01	5,244.29	9,620.88	14,865.16
(i) Investments outside India	-	-	-	-	-
(ii) Investment in India	5,240.28	4.01	5,244.29	9,620.88	14,865.16
Total (B)	5,240.28	4.01	5,244.29	9,620.88	14,865.16
Less: Allowance for impairment (C)	62.88	-	62.88	-	62.88
Total Net (A-C)	5,177.40	4.01	5,181.40	9,620.88	14,802.28

9 Investments (continued)

As at 31 March 2023

Particulars	At amortised cost	At fair value through P&L	Subtotal	At cost (subsidiaries, associates, and joint ventures)	Total
	(1)	(2)	3 = (1+2)	(4)	(5) = (3+4)
Non-current investments					
(a) Investments in subsidiaries					
Equity shares	-	-	-	2,984.61	2,984.61
(b) Investments in group companies					
Equity shares	-	-	-	2,136.27	2,136.27
(c) Investments in units of fund					
Units of Alternative Investment Funds	-	131.22	131.22	-	131.22
Total - Gross (A)	-	131.22	131.22	5,120.88	5,252.10
(i) Investments outside India	-	-	-	-	-
(ii) Investment in India	-	131.22	131.22	5,120.88	5,252.10
Total (B)	-	131.22	131.22	5,120.88	5,252.10
Less: Allowance for impairment (C)	-	-	-	-	-
Total Net (A-C)	-	131.22	131.22	5,120.88	5,252.10



ECap Securities and Investments Limited

(Formerly known as ECapEquities Limited)

Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

9 (a) Investments	As at 31 March 2024			As at 31 March 2023		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Investments in equity instruments of subsidiaries (unquoted)						
Edel Investments Limited	10	39,022,000	2,984.61	10	39,022,000	2,984.61
Investments in equity instruments of group companies						
Edelweiss Asset Reconstruction Company Limited*	10	20,817,286	2,136.27	10	20,817,286	2,136.27
Investments in group companies						
0.01% Compulsorily Convertible Debentures (CCDs)						
Edelweiss Global Wealth Management Limited	10	20,000,000	1,500.00	-	-	-
Ecap Equities Limited (Formerly Edel Land Limited)	10	300,000,000	3,000.00	-	-	-
Investments in units of fund (unquoted)						
Edelweiss Crossover Opportunities Fund	-	-	-	10,000	1,829,229	50.54
Edelweiss Crossover Opportunities Fund II	10,000	287,172	4.01	10,000	3,001,866	80.68
Investments in Debt securities of other companies						
Neelkanth Realtors Private Limited	100	1,760	2,001.89	-	-	-
Samridhi Infra Square Private Limited	100	568	587.37	-	-	-
Joyneet Premises Private Limited	100	568	485.53	-	-	-
Heet Builders Private Limited	100	3,400	2,165.49	-	-	-
			5,240.28			
Less : Diminution in value of investments			(62.88)			
			14,802.28			5,252.10

*Note : Equity Investment of Rs 2136.27 millions (Previous year nil) is pledged against NCDs issued by group company



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

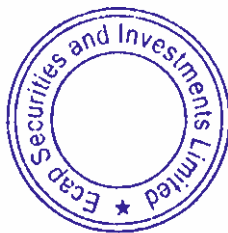
9(b) Investments (Continued)

Unconsolidated Structured Entities

The following tables show the carrying amount of the Company's recorded interest in its Balance sheet as well as the maximum exposure to risk (as defined in below) due to exposures in unconsolidated structured entities:

Particulars	March 31, 2024		March 31, 2023	
	Carrying amount	Maximum exposure	Carrying amount	Maximum exposure
Edelweiss Crossover Opportunities Fund	-	-	50.54	50.54
Edelweiss Crossover Opportunities Fund II	4.01	4.01	80.68	80.68
Total Assets	4.01	4.01	131.22	131.22
Total Liabilities				
Off-balance sheet exposure	-	NA	-	NA
Size of the structured entities	407.69	NA	5,016.62	NA
Income / (loss) from the structured entities	-	NA	-	NA

The size of the structured entity refers to assets under management of alternative investment funds. For investments in structured entities, the carrying value reflects the Company's maximum exposure to loss.



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

	As at 31 March 2024	As at 31 March 2023
10 Other financial assets		
<i>Unsecured considered good</i>		
Advances recoverable in cash or in kind or for value to be received	-	0.19
	<hr/>	<hr/>
	-	0.19
	<hr/>	<hr/>
11 Current tax assets (net)		
Advance income taxes	18.83	6.91
	<hr/>	<hr/>
	18.83	6.91
	<hr/>	<hr/>



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

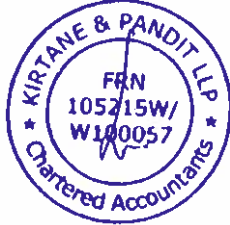
Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at 31 March 2024	As at 31 March 2023
12 Other non-financial assets		
Input tax credit	0.67	0.26
Prepaid expenses	0.02	-
Vendor advances	0.58	-
	<u>1.27</u>	<u>0.26</u>
13 Trade payables		
Trade payables from non-related parties	2.57	0.42
Trade payables from related parties	0.16	-
	<u>2.73</u>	<u>0.42</u>
Total outstanding dues of micro enterprises and small enterprises	0.90	0.40
Total outstanding dues to creditors other than micro enterprises and small enterprises	1.83	0.02
	<u>2.73</u>	<u>0.42</u>
Outstanding for less than 1 year from due date of payment		
(i) MSME	0.90	0.40
(ii) Others	1.83	0.02
(iii) Disputed dues- MSME	-	-
(iv) Disputed dues- Others	-	-
	<u>2.73</u>	<u>0.42</u>

13 Details of dues to micro and small enterprises

Trade payables includes Rs. 0.90 millions (Previous year: Rs. 0.40 millions) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid/is payable by the Company during the year to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

14 Debt securities at amortised cost:

Particulars	31 March 2024	31 March 2023
Non-convertible debentures*	2,206.03	-
Total - Gross (A)	2,206.03	-
(i) Debt securities outside India	-	-
(ii) Debt securities in India	2,206.03	-
Total (B)	2,206.03	-

*Repayable as per the principal repayment schedule

*(The debentures are secured by charge over the loans to the extent equal to the principal and interest amount i.e. redemption value of debentures)

Following is the repayment schedule of Debt Securities

Debt Securities as at 31 March 2024

Maturities	<1 years	1-3 years	> 3 years	Total
18.00 - 19.00%	-	-	2,206.03	2,206.03
Various (benchmark linked)	-	-	-	-
Total	-	-	-	-

Debt Securities as at 31 March 2023

Maturities	<1 years	1-3 years	> 3 years	Total
18.00 - 19.00%	-	-	-	-
Various (benchmark linked)	-	-	-	-
Total	-	-	-	-

15 Borrowings (other than debt securities) at amortised cost:

	As at 31 March 2024	As at 31 March 2023
Unsecured		
Loans from related parties *	14,066.89	5,782.80
Total - Gross	14,066.89	5,782.80
Total	14,066.89	5,782.80
(i) Borrowings outside India	-	-
(ii) Borrowings in India	14,066.89	5,782.80
Total	14,066.89	5,782.80

* At interest rate ranging from 10.89% to 13.96% p.a. (Previous year interest rate ranging from 10.95% to 14.60%)



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at 31 March 2024	As at 31 March 2023
16 Other financial liabilities		
Others		
Accrued salaries and benefits	0.51	0.40
	<u>0.51</u>	<u>0.40</u>
17 Current tax liabilities (net)		
Provision for taxation (net)	0.61	0.61
	<u>0.61</u>	<u>0.61</u>
18 Provisions		
Gratuity	0.39	0.25
Compensated leave absences	0.05	0.03
	<u>0.43</u>	<u>0.28</u>
19 Other non-financial liabilities		
Withholding taxes, Goods and service tax and other taxes payable	7.89	5.51
	<u>7.89</u>	<u>5.51</u>



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at 31 March 2024	As at 31 March 2023
20 Equity share capital		
Authorised :		
40,000,000 (Previous year: 40,000,000) equity shares of Rs. 10 each	400.00	400.00
10,000,000 (Previous year: 10,000,000) preference shares of Rs. 10 each	100.00	100.00
	<u>500.00</u>	<u>500.00</u>
Issued, subscribed and paid up:		
31,740,000 (Previous year: 31,740,000) equity shares of Rs. 10 each	317.40	317.40
	<u>317.40</u>	<u>317.40</u>

a. Movement in share capital :

	31 March 2024		31 March 2023	
	No. of shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	31,740,000	317.40	31,740,000	317.40
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	<u>31,740,000</u>	<u>317.40</u>	<u>31,740,000</u>	<u>317.40</u>

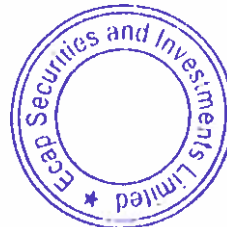
b. Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding Company, Promoter company

	31 March 2024		31 March 2023	
	No. of shares	%	No. of Shares	%
Edelweiss Financial Services Limited, the holding company and its nominees	31,740,000	100%	31,740,000	100%
	<u>31,740,000</u>	<u>100%</u>	<u>31,740,000</u>	<u>100%</u>

	As at 31 March 2024	As at 31 March 2023
21 Other equity		
Retained Earnings		
Opening Balance	(847.89)	(399.83)
Add: Loss for the year	(803.36)	(448.05)
Add: Other comprehensive income for the year	(0.08)	(0.01)
	<u>(1,651.32)</u>	<u>(847.89)</u>



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

22 Interest income

Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	On financial assets measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total	On financial assets measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total
Interest income on debt instruments*	0.00	-	0.00	-	-	-
Interest income on credit substitutes	23.86	-	23.86	-	-	-
Interest on deposits with banks	9.37	-	9.37	-	-	-
Total	33.23	-	33.23	-	-	-

*0.00 represents amounts less than 5,000



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	For the year ended 31 March 2024	For the year ended 31 March 2023
23 Net gain / (loss) on fair value changes		
Fair value gain - P&L - investment	(5.97)	(28.72)
Profit/(loss) on sale of long term investment	12.01	-
Total net gain / (loss) on fair value changes	<u>6.04</u>	<u>(28.72)</u>
Fair value changes:		
Realised gain	12.01	-
Unrealised (loss)/gain	(5.97)	(28.72)
Total net gain / (loss) on fair value changes	<u>6.04</u>	<u>(28.72)</u>



ECap Securities and Investments Limited

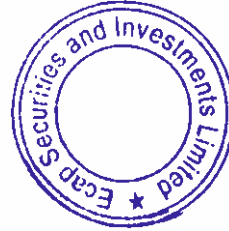
(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

24 Finance costs

Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total
Interest on borrowings	-	760.87	760.87	-	414.52	414.52
Interest on debt securities	-	6.02	6.02	-	-	-
Financial and bank charges	-	0.44	0.44	-	-	-
Other interest expense	-	2.45	2.45	-	0.24	0.24
Total	-	769.78	769.78	-	414.76	414.76



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	For the year ended 31 March 2024	For the year ended 31 March 2023
25 Impairment on financial instruments		
Impairment provision on loans measured at amortised cost	62.88	-
	62.88	-
26 Employee benefit expenses		
Salaries and wages	2.33	1.46
Contribution to provident and other funds	0.25	0.06
Staff welfare expenses	0.03	0.02
	2.61	1.54

26.1 Employee stock option plans

The Holding Company (Edelweiss Financial Services Limited ("EFSL")) has Employee Stock Option Plans in force. Based on such ESOP schemes, parent entity has granted an ESOP option to acquire equity shares of EFSL that would vest in a graded manner to Company's employees. Based on group policy / arrangement, EFSL has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	For the year ended 31 March 2024	For the year ended 31 March 2023
27 Other expenses		
Auditors' remuneration (refer note below)	0.90	0.41
Communication	0.05	0.02
Computer software	0.01	-
Clearing and custodian charges	0.15	-
Legal and professional fees	4.93	0.82
Office expenses*	0.00	-
Printing and stationery	0.01	-
Rates and taxes*	0.00	-
Goods and service tax expenses	1.13	0.39
Stamp duty	0.12	1.29
Stock exchange expenses	0.01	-
Transportation charges	0.03	-
Travelling and conveyance	0.05	0.02
Miscellaneous expenses	-	0.08
	7.39	3.03
27.1 Auditors' remuneration:		
As Auditors	0.60	0.40
For management fees	0.30	-
Towards reimbursement of expenses*	0.00	0.01
	0.90	0.41

*0.00 represents amounts less than 5,000

27.2 Corporate social responsibility (CSR)

As per the provisions of Section 135 of the Companies Act, 2013,

- (a) The Company is not required to spend any amount during the year.



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

28 Segment reporting

The Company's business is organised and the management reviews the performance, based on the business segments as mentioned below:

Segment	
Capital based business	Interest Income on loans and other capital based activities
Treasury	Income from treasury operations, income from investments, interest income on debt instruments and dividend income
Agency business	Broking and referral services

Income for each segment has been specifically identified. Expenditures, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic basis.

Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

The following table gives information as required under the Ind AS -108 - Operating Segment Reporting:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Segment revenue		
I a) Capital based business	33.23	-
b) Treasury	6.07	-
Total	39.30	-
Less : Inter segment revenue	-	-
Total income	39.30	-
II Segment results		
a) Capital based business	(800.92)	(437.21)
b) Treasury	(2.43)	(10.84)
c) Unallocated	-	-
Total	(803.36)	(448.05)
Loss before taxation	(803.35)	(448.05)
Less : Provision for taxation	-	-
Loss after taxation	(803.35)	(448.05)
III Segment assets		
a) Capital based business	14,801.80	5,120.87
b) Treasury	129.87	131.49
c) Unallocated	19.50	7.17
Total	14,951.17	5,259.53
IV Segment liabilities		
a) Capital based business	16,154.08	5,638.43
b) Treasury	122.52	145.45
c) Unallocated	8.49	6.14
Total	16,285.09	5,790.02
Note		
Commodities purchases and sales is reported as net under treasury in segment revenue.		



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

29 Disclosure as required by Indian Accounting Standard 24 - Related Party Disclosure**i. List of related parties and relationship:**

Name of related party by whom control is exercised	Edelweiss Financial Services Limited (Holding company)
Name of related parties over whom control is exercised	Edel Investments Limited
Fellow subsidiaries (with whom transactions have taken place)	ECap Equities Limited (formerly Edel Land Limited) ECL Finance Limited Edel Finance Company Limited Edelweiss Rural & Corporate Services Limited Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited) Edelweiss Retail Finance Limited Edelweiss Asset Reconstruction Company Limited Edelweiss Securities and Investments Private Limited Edelweiss Global Wealth Management Limited
Name of related parties over whom significant influence is exercised	Edelweiss Resolution Advisors LLP (upto July 1, 2022)
Key Managerial Personnel	Vinitha Singh - Manager & Chief Financial Officer Tarun Khurana (from June 1, 2023) - Company Secretary Ananya Suneja - Non-executive Director Ravindra Dhobale - Non-executive Director Tarun Khurana (upto June 1, 2023) - Non-executive Director Nikhil Johari (from June 1, 2023) - Non-executive Director



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

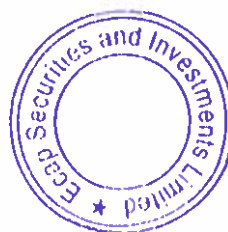
Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

29 Disclosure as required by Indian Accounting Standard 24 - Related Party Disclosure (continued)

ii. Transactions with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Capital account transactions during the year				
1	Purchase of equity shares from	Edelweiss Financial Services Limited Edel Investments Limited Edelweiss Securities and Investments Private Limited	- - -	315.20 40.00 2,136.27
2	Purchase of Debt Instruments from	Edelweiss Rural & Corporate Services Limited	2,670.24	-
3	Investment in Compulsorily Convertible Debentures (CCDs)	Edelweiss Global Wealth Management Limited ECap Equities Limited	1,500.00 3,000.00	- -
4	Settlement of Partners Capital Account	Edelweiss Resolution Advisors LLP	-	0.00
Current account transactions during the year				
5	Short term loans taken from (refer note below)	Edelweiss Rural & Corporate Services Limited ECap Equities Limited ECL Finance Limited Edelweiss Retail Finance Limited Nido Home Finance Limited Edel Finance Company Limited	7,020.33 7,604.39 1,710.00 2,500.00 950.00 274.46	- 825.06 3,100.00 450.00 1,800.00 3,371.27
6	Short term loans repaid to	Edel Finance Company Limited ECap Equities Limited ECL Finance Limited Edelweiss Retail Finance Limited Nido Home Finance Limited	3,645.72 3,642.33 3,590.00 - 950.00	- 3,720.73 720.00 450.00 1,800.00
7	Interest expense on loans taken from	ECap Equities Limited Nido Home Finance Limited ECL Finance Limited Edelweiss Retail Finance Limited Edel Finance Company Limited Edelweiss Rural & Corporate Services Limited	123.74 85.25 386.31 5.42 131.88 28.26	338.50 23.64 33.78 10.97 7.63 -
8	Interest Income on CCDs	Edelweiss Global Wealth Management Limited ECap Equities Limited	0.00 0.00	- -
9	Cost reimbursement paid to	Edelweiss Rural & Corporate Services Limited	0.02	0.00
10	Cost reimbursement received from	ECap Equities Limited	2.00	-
11	Other reimbursement paid to	ECap Equities Limited Edel Investments Limited	0.01 0.09	3.71 -
12	Corporate Guarantee support fee paid to	Edelweiss Financial Services Limited	0.01	-
13	Payment from Partnership firm through current account	Edelweiss Resolution Advisors LLP	-	0.02
14	Remuneration paid to key managerial personnel	Vintha Singh	2.28	0.22
Balances with related parties				
15	Short term loans taken from	Edel Finance Company Limited ECap Equities Limited ECL Finance Limited Nido Home Finance Limited Edelweiss Rural & Corporate Services Limited Edelweiss Retail Finance Limited	- 1,962.02 500.00 - 7,020.32 2,500.00	3,471.27 - 2,380.00 - - -
16	Trade receivable from	Edelweiss Rural & Corporate Services Limited	2.93	-
17	Trade payable to	Edelweiss Rural & Corporate Services Limited Edelweiss Financial Services Limited	0.00 0.01	0.00 -



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

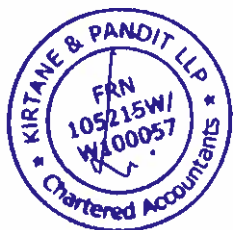
29 Disclosure as required by Indian Accounting Standard 24 - Related Party Disclosure (continued)

ii. Transactions with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
18	Other payable to	ECap Equities Limited	0.01	-
		Edelweiss Rural & Corporate Services Limited	0.00	-
		Edel Investments Limited	0.09	-
		Edelweiss Financial Services Limited	0.04	-
19	Interest payable on loans taken from	ECap Equities Limited (formerly Edel Land Limited)	19.28	3.06
		ECL Finance Limited	22.41	7.81
		Edelweiss Retail Finance Limited	4.88	2.37
		Edel Finance Company Limited	(0.36)	6.86
		Nido Home Finance Limited	12.86	11.43
		Edelweiss Rural & Corporate Services Limited	25.43	-
20	Investments in equity shares of	Edel Investments Limited	2,984.61	2,984.61
		Edelweiss Asset Reconstruction Company Limited	2,136.27	2,136.27
21	Investments in Compulsorily Convertible Debentures (CCDs)	Edelweiss Global Wealth Management Limited	1,500.00	-
		ECap Equities Limited	3,000.00	-

Note:

- 1 Loan given/taken to/from related parties and margin money placed / refund received with/ from related parties are disclosed based on the total of debit and credit of transaction amount given/taken and placed/ refund received during the reporting period.
- 2 As part of fund based activities, intergroup company loans and advances activities undertaken are generally in the nature of loans repayable at any time before maturity. Such loans and advances, voluminous in nature, are carried on at arm's length and in the ordinary course of business. Pursuant to Ind AS 24 - Related Party Disclosures, sum of loans given and repaid are disclosed above as in the view of the management it provides meaningful reflection of such related party transactions on the financial statements. Interest income and expenses on such loans and advances are disclosed on the basis of full amounts of such loans and advances given and repaid.
- 3 Information relating to remuneration paid to key managerial personnel mentioned above excludes provision made for gratuity, leave encashment and deferred bonus which are provided for group of employees on an overall basis. These are included on cash basis. The variable compensation included herein is on cash basis.
- 4 Disclosure under section 186(4) of the Companies Act, 2013 for loans and guarantee: Loans have been given for general business purpose.



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

30 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	31 March 2024	31 March 2023
(a) Loss after tax (as per statement of profit and loss)	(803.36)	(448.05)
Net profit for the year attributable to equity shareholders	(803.36)	(448.05)
(b) Calculation of weighted average number of equity Shares of Rs. 10 each		
Number of shares outstanding at the beginning of the year	31,740,000	31,740,000
Number of Shares issued during the year	-	-
Number of shares on conversion of Compulsorily Convertible Debentures (CCDs)	-	-
Total number of equity shares outstanding at the end of the year	31,740,000	31,740,000
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	31,740,000	31,740,000
Number of dilutive potential equity shares	-	-
(c) Basic and diluted earnings per share (in rupees) (a)/(b)	(25.31)	(14.12)

31 Contingent liabilities and commitments

Contingent liabilities

The Company has no contingent liabilities as at the balance sheet date (Previous year Rs. Nil)

Commitments

The Company has no capital commitments towards fixed assets as at the balance sheet date (Previous year: Rs. Nil/)

32 Approach to capital management

Company objectives, when managing capital, are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

Particulars	31 March 2024	31 March 2023
Total Debt	16,272.92	5,782.80
Equity	(1,333.92)	(530.49)
Net Debt to Equity	(12.20)	(10.90)



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

33 Remaining contractual maturities**A. Analysis of non-derivative financial liabilities by remaining contractual maturities**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's non-derivative financial liabilities:

Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that the counterparties will not request repayment on the earliest date it could be required to pay.

As at 31 March 2024	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Trade payables	2.57	-	-	-	2.57
Trade payables - Group	0.16	-	-	-	0.16
Debt securities	-	-	-	2,206.03	2,206.03
Borrowings (other than debt securities) - Group	-	14,066.89	-	-	14,066.89
Other financial liabilities	0.51	-	-	-	0.51
Total undiscounted non-derivative financial liabilities	3.24	14,066.89	-	2,206.03	16,276.16

As at 31 March 2023	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Trade payables	0.42	-	-	-	0.42
Borrowings (other than debt securities) Group	-	5,782.80	-	-	5,782.80
Other financial liabilities	0.40	-	-	-	0.40
Total undiscounted non-derivative financial liabilities	0.82	5,782.80	-	-	5,783.62

B. Analysis of non-derivative financial assets by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's non-derivative financial assets

As at 31 March 2024	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Cash and cash equivalent and other bank balances	85.31	-	-	-	85.31
Trade receivables	40.55	-	-	-	40.55
Trade receivables - Group	2.93	-	-	-	2.93
Investments at fair value through profit or loss	4.01	-	-	-	4.01
Investments at cost - Group	-	-	-	9,620.88	9,620.88
Investments at amortised cost	5,177.39	-	-	-	5,177.39
Total	5,310.19	-	-	9,620.88	14,931.07

As at 31 March 2023	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Cash and cash equivalent and other bank balances	0.07	-	-	-	0.07
Investments at fair value through profit or loss	-	-	-	131.22	131.22
Investments at cost - Group	-	-	-	5,120.88	5,120.88
Other financial assets - group	0.19	-	-	-	0.19
Total	0.26	-	-	5,252.10	5,252.36



ECap Securities and Investments Limited

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Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

34 Market risk

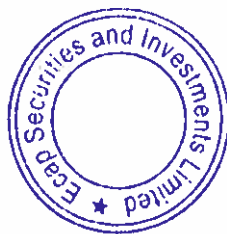
Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

(i) Equity price risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of individual investment in equity share prices.

Impact on	2023-24					
	Increase in equity price (%)	Effect on profit before tax	Effect on Equity	Decrease in equity price (%)	Effect on profit before tax	Effect on Equity
AIF Funds	5	0.20	-	5	(0.20)	-

Impact on	2022-23					
	Increase in equity price (%)	Effect on profit before tax	Effect on Equity	Decrease in equity price (%)	Effect on profit before tax	Effect on Equity
AIF Funds	5	6.56	-	5	(6.56)	-



ECap Securities and Investments Limited

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Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

35 Total market risk exposure

Fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately. Such risks the market risk for the trading portfolio is managed and monitored based on a VaR methodology that reflects the interdependency between risk variables. Non-trading positions are managed and monitored using other sensitivity analysis.

Particulars	31 March 2024			31 March 2023		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets						
Cash and cash equivalent and other bank balances	85.31	-	85.31	0.07	-	0.07
Financial assets at FVTPL	4.01	4.01	-	131.22	131.22	-
Trade receivables - Group	43.48	-	43.48	-	-	-
Financial investments- amortised cost	5,177.39	-	5,177.39	-	-	-
Investments at cost - Group	9,620.88	-	9,620.88	5,120.88	-	5,120.88
Other financial assets - Group	-	-	-	0.19	-	0.19
Total	14,931.07	4.01	14,927.07	5,252.36	131.22	5,121.14

Particulars	31 March 2024			31 March 2023		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Liability						
Borrowings (other than debt Securities) - Group	14,066.89	-	14,066.89	5,782.80	-	5,782.80
Trade payables	2.57	-	2.57	0.42	-	0.42
Other financial liabilities	0.51	-	0.51	0.40	-	0.40
Total	16,276.16	-	16,276.16	5,783.62	-	5,783.62



ECap Securities and Investments Limited

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Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

36 Disclosure related to collateral:

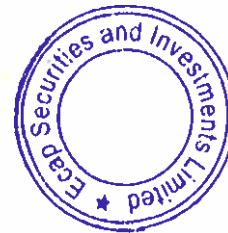
Following table sets out availability of Company's financial assets to support funding:

31 March 2024	Pledge as collateral	others 1*	Available as collateral	others 2**	Total carrying amount
Cash and cash equivalent including bank balance	-	-	-	85.31	85.31
Trade receivables	-	-	-	43.48	43.48
Investments	7,313.66	-	-	7,488.62	14,802.28
Current tax assets (net)	-	-	-	18.83	18.83
Other non- financial assets	-	-	-	1.27	1.27
Total assets	7,313.66	-	-	7,637.50	14,951.17

31 March 2023	Pledge as collateral	others 1*	Available as collateral	others 2**	Total carrying amount
Cash and cash equivalent including bank balance	-	-	-	0.07	0.07
Investments	-	-	-	5,252.10	5,252.10
Other financial assets	-	-	-	0.19	0.19
Current tax assets (net)	-	-	-	6.91	6.91
Other non- financial assets	-	-	-	0.26	0.26
Total assets	-	-	-	5,259.53	5,259.53

* (Represents assets which are not pledged but are kept for asset security cover towards debentures issued and Company believes it is restricted from using to secure funding for legal or other reason)

** (Represents assets which are not restricted for use as collateral, but that the Company would not consider readily available to secure funding in the normal course of business)



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Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

37 Fair values of financial instruments

(a) Fair values of assets and liabilities

Particulars	31 March 2024			Total
	Level 1	Level 2	Level 3	
Investments				
Units of Alternative Investment Funds	-	-	4.01	4.01
Equity instruments	-	-	-	-
Total investments measured at fair value	-	-	4.01	4.01
Total financial assets measured at fair value on a recurring basis	-	-	4.01	4.01

Particulars	31 March 2024			Total
	Level 1	Level 2	Level 3	
Liabilities measured at fair value on a recurring basis -				
Exchange-traded derivatives	-	-	-	-
Embedded derivatives in market linked debentures	-	-	-	-
Total derivative financial instruments (liabilities)	-	-	-	-
Financial liabilities at fair value through profit or loss				
Provision for short sale - SLBM trading	-	-	-	-
Total financial liabilities at FVTPL	-	-	-	-
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-

Fair valuation techniques:

(i) Debt securities

Whilst most of these instruments are standard fixed or floating rate securities, however nifty linked debentures have embedded derivative characteristics. Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at the reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded Company has used CRISIL Corporate Bond Valuer model for measuring fair value.

(ii) Equity instruments and units of Alternative Investment Funds

The majority of equity instruments are actively traded on recognized stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in funds are measured based on fund net asset value (NAV), taking into account redemption and/or other restrictions. Such NAV Such instruments are generally Level 3. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured at each reporting date at valuation provided by external valuer at instrument level. Unlisted equity securities are classified at Level 3.

(iii) Derivatives

The Company enters into derivative financial instruments with various counter parties, primarily banks with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are exchange traded futures and options contracts. The most frequently applied valuation techniques include quoted price for exchange traded derivatives and Black Scholes models (for option valuation).

(iv) Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand alone derivative.

Company uses valuation models. Inputs to valuation models are determined from observable market (Indices) data wherever possible, including prices available from exchanges, dealers, brokers. Company classify these embedded derivative as level 3 instruments.



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Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

37 Fair values of financial instruments (continued)

(a) Fair values of assets and liabilities (continued)

Particulars	31 March 2023			Total
	Level 1	Level 2	Level 3	
Investments				
Units of Alternative Investment Funds	-	-	131.22	131.22
Equity instruments	-	-	-	-
Total investments measured at fair value	-	-	131.22	131.22
Total financial assets measured at fair value on a recurring basis	-	-	131.22	131.22

Particulars	31 March 2023			Total
	Level 1	Level 2	Level 3	
Liabilities measured at fair value on a recurring basis -				
Exchange-traded derivatives	-	-	-	-
Embedded derivatives in market-linked debentures	-	-	-	-
Total derivative financial instruments (liabilities)	-	-	-	-
Financial liabilities at fair value through profit or loss -				
Provision for short sale - SLBM trading	-	-	-	-
Total financial liabilities at FVTPL	-	-	-	-
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-



ECap Securities and Investments Limited

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Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

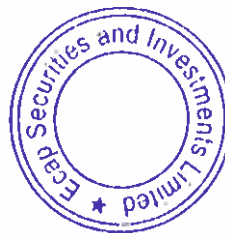
37 Fair values of financial instruments (continued)

(b) Movement in level 3 financial instruments measured at fair value

The following table shows a reconciliation of the opening balances and the closing balances for fair value measurements in

Particulars	Investments in units of AIF	Total
At 1 April 2023	131.22	131.22
Purchase	-	-
Sales / Redemption	(53.88)	(53.88)
Gains / (losses) for the period (2023-24) recognised in profit or loss (including accrued interest)	(73.34)	(73.34)
At 31 March 2024	4.01	4.01
Unrealised gains / (losses) related to balances held at the end of the period	57.76	57.76

Particulars	Investments in units of AIF	Total
At 1 April 2022	207.83	207.83
Purchase	-	-
Sales	(48.25)	(48.25)
Gains / (losses) for the period (2022-23) recognised in profit or loss (including accrued interest)	(28.35)	(28.35)
At 31 March 2023	131.22	131.22
Unrealised gains / (losses) related to balances held at the end of the period	131.10	131.10



ECap Securities and Investments Limited

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Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

37 Fair values of financial instruments (continued)

(c) Unobservable inputs used in measuring fair value categorised within Level 3 :

Following tables set out information about significant unobservable inputs used at respective balance sheet dates in measuring financial instruments categorised as Level 3 in the fair value hierarchy:

Type of financial instruments	Fair value of asset as on 31 March 2024	Fair value of liability as on 31 March 2024	Valuation techniques	Significant unobservable input	Range of estimates (weighted-average) for unobservable input	Increase in the unobservable input (% or as the case may be)	Change in fair value	Decrease in the unobservable input (% or as the case may be)	Change in fair value
Investments in units of AIF	4.01	-	Net assets approach	Fair value of underlying investments	Rs. 14 per Unit	5%	0.20	5%	(0.20)
Total	4.01	-					0.20		(0.20)
Type of financial instruments	Fair value of asset as on 31 March 2023	Fair value of liability as on 31 March 2023	Valuation techniques	Significant unobservable input	Range of estimates (weighted-average) for unobservable input	Increase in the unobservable input (% or as the case may be)	Change in fair value	Decrease in the unobservable input (% or as the case may be)	Change in fair value
Investments in units of AIF	131.22	-	Net assets approach	Fair value of underlying investments	Rs. 26 to 28 per Unit	5%	6.56	5%	(6.56)
Total	131.22	-					6.56		(6.56)



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Notes to the financial statements (Continued)

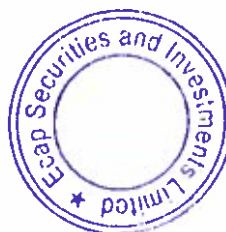
(Currency : Indian rupees in millions)

37 Fair values of financial instruments (continued)**(d) Financial instruments not measured at fair value**

The following table sets out the fair values of financial instruments not measured at fair value and analysing them by the level in the fair value hierarchy into which each fair value measurement is categorised.

Particulars	31 March 2024				
	Total carrying amount	Total fair value	Level 1	Level 2	Level 3
Financial assets:					
Cash and cash equivalent	85.31	85.31	85.31	-	-
Trade receivables - Group	2.93	2.93	-	2.93	-
Trade receivables	40.55	40.55	-	40.55	-
Investments at amortised cost	5,177.39	5,177.39	-	5,177.39	-
Investments at cost - Group	9,620.88	9,620.88	-	9,620.88	-
Total	14,927.07	14,927.07	85.31	14,841.75	-
Financial liabilities:					
Trade payables	2.57	2.57	-	2.57	-
Trade payables - Group	0.16	0.16	-	0.16	-
Debt securities	2,206.03	2,206.03	-	2,206.03	-
Borrowing (other than debt securities) - Group	14,066.89	14,066.89	-	14,066.89	-
Other financial liabilities	0.51	0.51	-	0.51	-
Total	16,276.16	16,276.16	-	16,276.16	-

Particulars	31 March 2023				
	Total carrying amount	Total fair value	Level 1	Level 2	Level 3
Financial assets:					
Cash and cash equivalent	0.07	0.07	0.07	-	-
Investments at cost - Group	5,120.88	5,120.88	-	5,120.88	-
Other financial assets - Group	0.19	0.19	-	0.19	-
Total	5,121.14	5,121.14	0.07	5,121.07	-
Financial liabilities:					
Trade payables	0.42	0.42	-	0.42	-
Borrowing (other than debt securities) Group	5,782.80	5,782.80	-	5,782.80	-
Other financial liabilities	0.40	0.40	-	0.40	-
Total	5,783.62	5,783.62	-	5,783.62	-



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Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

38 Disclosure pursuant to IND AS 19 - Employee benefits

(a) Defined contribution plan (provident fund)

Amount of Rs. 0.11 millions (Previous year: Rs. 0.06 millions) is recognised as expenses and included in "Employee benefit" – Note 26 in the statement of profit and loss.

(b) Defined benefit plan (gratuity):

The following tables summarise the components of the net employee benefit expenses recognised in the statement of profit and loss and amounts recognised in the balance sheet for the gratuity benefit plan.

Statement of profit and loss of the year:

Net employee benefit expenses (recognised in employee cost):

	31 March 2024	31 March 2023
Current service cost	0.04	0.03
Interest on defined benefit obligation	0.02	0.01
Past service cost	-	-
Actuarial loss/(gain)	-	-
Total included in employee benefit expenses	0.06	0.04

Balance sheet:

Details of provision for gratuity:

	31 March 2024	31 March 2023
Liability at the end of the year	0.39	0.25
Amount in balance sheet	0.39	0.25

Changes in the present value of the defined benefit obligation are as follows:

	31 March 2024	31 March 2023
Liability at the beginning of the year	0.25	-
Transfer in/(out)	-	0.19
Interest cost	0.02	0.01
Current service cost	0.04	0.03
Past service cost	-	-
Benefits paid	-	-
Re-measurement	0.08	0.01
Actuarial (gain)/loss on obligations	-	-
Liability at the end of the year	0.39	0.25

Non-current liability at the end of the year	0.32	0.21
Current liability at the end of the year	0.06	0.04

Amount recognised in the balance sheet:

	For the year ended	For the year ended
	31 March 2024	31 March 2023
Liability at the end of the year	0.39	0.25
Fair value of plan assets at the end of year	-	-
Amount recognized in balance sheet	0.39	0.25

Experience adjustment:

	For the year ended	For the year ended
	31 March 2024	31 March 2023
On plan liabilities (gain)/loss	0.08	0.03
On plan assets (gain)/loss	-	-
Estimated contribution for next year	0.08	0.03

Principle actuarial assumptions at the balance sheet date:

	31 March 2024	31 March 2023
Salary Growth Rate	7%	7%
Discount Rate	7%	7.1%
Interest Rate on Net DBO/ (Asset)	7.1%	5.9%
Withdrawal Rate	16.00%	16.00%
Mortality Rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of the obligation	3.5 years	3.5 years



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Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

38 Disclosure pursuant to IND AS 19 - Employee benefits (continued)**Movement in other comprehensive income**

	31 March 2024	31 March 2023
Balance at start of year (Loss)/ Gain	(0)	-
Re-measurements on defined benefit obligation		
a) Actuarial Loss/(Gain) from changes in demographic assumptions	-	-
b) Actuarial Loss/(Gain) from changed in financials assumptions	(0.00)	0.02
c) Actuarial Loss/(Gain) from experience over last past year	(0.08)	(0.03)
Re-measurements on plan assets		
interest on the net defined benefit liability / (asset)	-	-
Balance at end of year (Loss)/ Gain	(0.09)	(0.01)

Sensitivity analysis:

DBO increases/ (decreases) by	31 March 2024	31 March 2023
1% Increase in Salary Growth Rate	0.02	0.02
1% Decrease in Salary Growth Rate	(0.02)	(0.01)
1% Increase in Discount Rate	(0.02)	(0.01)
1% Decrease in Discount Rate	0.02	0.02
1% Increase in Withdrawal Rate	Negligible Change	Negligible Change
1% Decrease in Withdrawal Rate	Negligible Change	Negligible Change
Mortality (increase in expected lifetime by 1 year)	Negligible Change	Negligible Change
Mortality (increase in expected lifetime by 3 years)	Negligible Change	Negligible Change

Movement in surplus / (deficit)

	31 March 2024	31 March 2023
Surplus / (Deficit) at start of year	(0)	-
Net Transfer (In)/ Out	-	(0.19)
Current Service Cost	(0.04)	(0.03)
Benefits Paid	-	-
Past Service Cost	-	-
Net Interest on net DBO	(0.02)	(0.01)
Re-measurements	(0.08)	(0.01)
Surplus / (Deficit) at end of year	(0.39)	(0.25)



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Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

39 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

Particulars	31 March 2024			31 March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	85.31	-	85.31	0.07	-	0.07
Trade receivables	43.48	-	43.48	-	-	-
Investments	5,181.40	9,620.88	14,802.28	-	5,252.10	5,252.10
Other financial assets - Group	-	-	-	0.19	-	0.19
	5,310.19	9,620.88	14,931.07	0.26	5,252.10	5,252.36
Non-financial assets						
Current tax assets (net)	6.03	12.80	18.83	4.13	2.78	6.91
Other non-financial assets	1.27	-	1.27	0.26	-	0.26
	7.30	12.80	20.10	4.39	2.78	7.17
Total assets	5,317.49	9,633.68	14,951.17	4.65	5,254.88	5,259.53

Particulars	31 March 2024			31 March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Trade payables	2.73	-	2.73	0.42	-	0.42
Debt securities	-	2,206.03	2,206.03	-	-	-
Borrowing (other than debt securities) - Group	14,066.89	-	14,066.89	5,782.80	-	5,782.80
Other financial liabilities	0.51	-	0.51	0.40	-	0.40
	14,070.13	2,206.03	16,276.16	5,783.62	-	5,783.62
Non-financial liabilities						
Current tax liabilities (net)	0.61	-	0.61	0.61	-	0.61
Provisions	0.07	0.36	0.43	0.05	0.23	0.28
Other non-financial liabilities	7.89	-	7.89	5.51	-	5.51
	8.57	0.36	8.93	6.17	0.23	6.40
Total liabilities	14,078.70	2,206.39	16,285.09	5,789.79	0.23	5,790.02



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Notes to the financial statements (Continued)

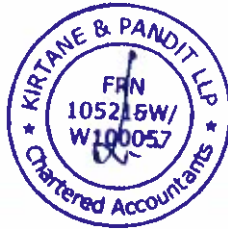
(Currency : Indian rupees in millions)

40 Analysis of risk concentration**Industry analysis - Risk concentration for 31 March 2024**

Particulars	Financial services	Real Estate	Total
Financial assets			
Financial assets carried at fair value through profit and loss	4.01	-	4.01
Cash and cash equivalent	85.31	-	85.31
Trade receivables	40.55	-	40.55
Trade receivables - Group	2.93	-	2.93
Investments at amortised cost	-	5,177.39	5,177.39
Investments at cost - Group	9,620.88	-	9,620.88
	9,753.68	5,177.39	14,931.07
Other Commitments	-	-	-
Total	9,753.68	5,177.39	14,931.07

Industry analysis - Risk concentration for 31 March 2023

Particulars	Financial services	Real Estate	Total
Financial assets			
Financial assets carried at fair value through profit and loss	131.22	-	131.22
Cash and cash equivalent	0.07	-	0.07
Investments at cost - Group	5,120.88	-	5,120.88
Other financial assets - Group	0.19	-	0.19
	5,252.36	-	5,252.36
Other Commitments	-	-	-
Total	5,252.36	-	5,252.36



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Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

41 Other Disclosures

(i) Relationship with Struck off Companies

The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

(ii) During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) During the year, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iv) Disclosure of Ratios

Sr. No.	Particulars	31 March 2024	31 March 2023
1	Total debts to total assets ^(refer note 1)	1.09	1.10
2	Net profit margin (%) ^(refer note 2)	-761.77%	0.00%

1. Total debts to total assets = Total Debt / Total assets

2. Net profit margin (%) = Net profit after tax / Total Income

3. Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, inventory turnover and Operating margin (%), Debt Service Coverage Ratio are not applicable owing to the business model of the Company.

(v) Audit Trail

The accounting software used by the company to maintain its books of accounts have a feature of recording the audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software as also in database maintained with respect thereto.



ECap Securities and Investments Limited

(Formerly known as ECap Equities Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

42 Cash flow disclosure

Change in liabilities arising from financing activities

Particulars	01 April 2023	Cash flows	Changes in fair values	Others*	31 March 2024
Debt securities	-	2,203.92	-	2.11	2,206.03
Borrowings other than debt securities	5,782.80	8,231.12	-	52.97	14,066.89
Total liabilities from financing activities	5,782.80	10,435.04	-	55.08	16,272.92

* Others Includes interest accrued but not paid on financing liabilities.

Particulars	01 April 2022	Cash flows	Changes in fair values	Others*	31 March 2023
Borrowings other than debt securities	2,901.89	2,855.60	-	25.31	5,782.80
Total liabilities from financing activities	2,901.89	2,855.60	-	25.31	5,782.80

* Others Includes interest accrued but not paid on financing liabilities.



ECap Securities and Investments Limited

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Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

43 Prior period comparatives

Previous year's figures have been regrouped and rearranged wherever necessary to conform to current year's presentation
As per our report of even date attached.

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No.: 105215W



Sandeep D Welling
Partner
Membership No.: 044576
Mumbai
8 May 2024



For and on behalf of the Board of Directors



Ravindra Dhobale
Director
DIN 05147051



Vinitha Singh
Manager & Chief
Financial Officer
Mumbai
8 May 2024



Ananya Suneja
Director
DIN: 07297081

